

# MEMO

**DATE:** January 5, 2006  
**TO:** Regional Council  
**FROM:** Don Rhodes  
**SUBJECT:** Legislative bill draft relating to SB90 (1972) protection for JPA's

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## **SUMMARY:**

SCAG will be working with other agencies, such as CALCOG and ABAG, in order to offer legislation that would amend California Government Code Statute 1972 Chapter 1406 (S.B.90) to ensure that Joint Powers Authorities are eligible to seek reimbursement from the State on S.B.90.

## **BACKGROUND:**

As passed by the Regional Council on December 1, 2005, the Legislative Program included the following language:

“Seek legislative relief for the inclusion of joint powers authorities under the provisions of Senate Bill 90 (1972) relating to state mandates.”

Briefly, this law, the Property Tax Relief Act of 1972, established the concept of state reimbursement to local agencies and school districts for state-mandated activities. Although, the primary purpose of this law was to limit the ability of local agencies and school districts to levy taxes, the legislature, in order to offset these limitations, declared its intent to reimburse local agencies and school districts for the costs of new programs or increased levels of service mandated by state government.

Recently, the Commission on State Mandates ruled that JPA's are not eligible claimants, thereby precluding SCAG from seeking reimbursement for programs such as RHNA. While SCAG is appealing the Commission's ruling, it is also advisable to seek a legislative solution to this funding issue. ABAG is similarly impacted and the staff is coordinating SCAG's efforts with ABAG.